

Unit States Department of the Imerior

BUREAU OF LAND MANAGEMENT

Salt Lake Field Office 2370 South 2300 West Salt Lake City, Utah 84119 ph: (801) 977-4300; Fax: (801) 977-4397 www.ut.blm.gov/saltlake_fo



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DIV. OF OIL, GAS & MINING

IN REPLY REFER TO: 2800 UTU-81125 (UT-023)

Certified Mail Number – 7007 0710 0001 8505 7495 Return Receipt Requested

Mr. Mitch Johnson Oakley Mountain Corporation P.O. Box 27 Oakley, Idaho 83346

Re: Green Beetle Quarry Right-of-Way

Dear Mr. Johnson:

On September 21, 2007, an inspection was made of your Green Beetle operation, right-of-way UTU 81125, near Rosebud, Box Elder County, Utah. During the inspection, we identified the following violations of the terms and conditions of the right-of-way grant:

1) Diesel fuel was being stored at the milling site without a containment system as required by Stipulation #11 of the right-of-way.

 Palettes of rock were being stored outside the limits of the established milling area. No storage of rock or surface disturbing activities should be occurring west of the main access road.

3) It appears that waste rock is being disposed of outside of the boundaries of the quarry and all of the required boundary markers may no longer be in place around your operation in violation of Stipulations # 5 and 7 of the right-of-way grant.

Please take action to correct these problems within 5 days of the receipt of this notice and inform this office when they have been addressed so that a follow up inspection can be performed. Failure to correct the stated problems within the timeframe required may result in a suspension of your operations at this location.

If you have any questions, please contact Mike Nelson of my staff at (801) 977-4355.

Sincerely,

David H. Murphy

Assistant Field Manager Non-renewable Resources

Enclosure: ROW Permit

Cc: Mr. Lynn Kunzler, State of Utah OG&M